

June 16, 2014

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue N1058(B)
Indianapolis, IN 46204

Dear Barry,

We have completed the sales ratio study for the 2014 Knox County trending. All sales that we deemed valid were used, including multi-parcel sales and land sales that have since been improved. We only used sales between 1/1/13-3/1/14.

Residential and Ag Homesites

We grouped the “Res Vacant” portion of the ratio study along with the Countywide “Res Improved” section. We checked them against the Land Order, which was adopted recently. Also, we checked the improved sales using a land to building ratio against the Land Order, to insure the land values were correct and sales were representative.

Also, we grouped the following townships together for the “Improved Residential” portion of the ratio study:

Johnson
Steen
Widner

Decker
Vigo

These townships were grouped together because they share similar economic factors. Also, trending factors have been added to help bring the median ratios closer to 1.00. Busseron, Harrison, Palmyra, Vincennes, and Washington Townships were not grouped together with any other township.

We saw increases or decreases of more than 10% in the following areas:

Busseron Township saw a decrease of more 35% in the “Res Vac” total assessed value. The improvements from 42-04-08-305-012.000-002 were moved to 42-04-08-305-012.001-002. We had the same situation where the improvements for parcel 42-04-18-400-006.000-001 were moved to 42-04-18-400-006.001-001. The improvements on parcel 42-04-32-100-001.000-001 were demolished.

Johnson Township saw a decrease of 25% for the total assessed value of “Res Vac”. Improvements for parcel 42-22-16-116-013.000-007 were moved to 42-22-16-116-014.000-007.

Palmyra Township saw an increase of 15% for “Res Vac”. This was one of the areas that was reviewed this year. It was noticed the small acre adjustment had not been applied neighborhoods 027520P and 027521P and it was corrected. This caused the increase.

Palmyra Township also saw an increase of 11% for “Res Imp”. The small acre adjustment was applied in 027520P and 027521P. In addition to the small acre adjustment, factors were applied that increased values. We also had new construction on the following parcels that added value:

42-11-05-200-001.000-008
42-11-09-300-001.000-008
42-11-18-100-003.001-008
42-11-26-200-001.000-008
42-11-31-300-007.000-008

Steen Township saw a decrease in the “Res Vac” values of 29%. On parcel 42-10-28-216-031.000-010 the house was removed. A large barn was removed from 42-10-34-300-004.000-009.

Vigo Township had a decrease of 15% for the “Res Vac” values. The following parcels had improvements removed:

42-02-03-305-001.000-014
42-02-03-305-047.000-014
42-08-21-221-005.000-012
42-08-28-400-007.000-011
42-08-28-400-008.000-011

Washington Township had a decrease of 10% for the “Res Vac” values. This was caused by the improvements moving from one parcel to another. The improvements that were on 42-06-25-300-017.000-018 were moved to parcel 42-06-25-300-004.000-018.

Widner Township saw a decrease of 10% for the “Res Vac” values. Parcel 42-03-16-302-022.000-021 had all of the improvements removed.

Commercial and Industrial

We grouped all of the Commercial and Industrial properties together. The construction types and sizes for the Commercial and Industrial properties are very similar, so these two categories were grouped together when we were developing trending factors. They are grouped that way on the ratio study as well. Trending factors were added to help bring the median ratios closer to 1.00, if they were needed at all.

Busseron “Com Vac” increased over 45% due to the fact that neighborhood 002400 was not using the small acreage adjustment. We have corrected that, and the values are more representative of the market.

Harrison Township "Com Imp" increased 13% due to new construction. Two new buildings were added to parcel 42-17-07-410-001.000-005.

Harrison Township "Ind Imp" decreased nearly 25%. Several buildings were demolished due to the closing of a coal processing facility. The two parcels this affected were:

42-16-21-100-003.000-004

42-16-21-100-002.000-004

Vincennes Township "Ind Imp" increased over 20%. There was new construction on parcel 42-15-04-400-001.001-023. Also, several parcels were combined to form a new parcel. That parcel is 42-12-15-302-005.000-022.

Vincennes Township "Ind Vac" increased over 10% due to a correction of land size for parcel 42-12-29-400-005.000-023.

Washington Township "Ind Vac" decreased 80%. Parcel 42-07-28-300-012.000-018 had its buildings and land split to parcel 42-07-28-300-012.004-018. This caused a decrease of about \$133,000.

Widner Township "Com Vac" decreased 25%. Parcel 42-03-22-100-003.000-021 had 38 acres split out to 42-03-22-100-003.001-021.

Summary

Almost all of our neighborhoods that had a representative number of sales fell within acceptable range and if they did not, we applied a factor to get them to meet IAAO standards. Any areas that didn't have a fair representation of sales were combined with an adjoining area of similar economic factors. This fact helped us determine that we did have a 5% increase after applying the new Agricultural rate.

Sincerely,

Cathy Lane